

## **PROTOCOL**

At the moment of signing the Agreement between the Government of the People's Republic of China and the Government of the Federal Democratic Republic of Ethiopia for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with respect to Taxes on Income (hereinafter referred to as the "Agreement"), both sides have agreed upon the following provisions which shall form an integral part of the Agreement.

### **Article 1**

With respect to paragraph 2 *g)* of Article 5, a commercial warehouse refers to facilities maintained by an enterprise of a Contracting State for storage of goods or merchandise for other enterprises for profit purposes.

### **Article 2**

With respect to paragraph 3 of Article 7, limitations under domestic law apply only when the result from such limitations is in accordance with the principles contained in this Agreement.

### **Article 3**

With respect to paragraph 3 of Article 11, the Ethiopian Government has been giving tax exemption to financial institutions wholly owned by the Chinese Government for their interest income from loans. This same favorable tax treatment may continue in the future on a case-by-case basis on loans financed, guaranteed or insured by financial institutions wholly owned by the Chinese Government.

### **Article 4**

With respect to paragraph 1 of Article 26, when exchange of information is requested in regard of taxes other than the taxes covered in Article 2, there might be difficulty for the Ethiopian competent authority on account of its information gathering capacity. However, for significant cases, the Ethiopian competent authority shall try its best to provide the information requested.

IN WITNESS whereof the undersigned, duly authorized thereto, have signed this Protocol.

Done at \_\_\_\_\_ on this day of \_\_\_\_\_, \_\_\_\_\_, in duplicate in the Chinese and English languages, both texts being equally authentic.

For the Government of  
the People's Republic of China

For the Government of  
the Federal Democratic Republic of Ethiopia

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